

# DEPARTMENT OF THE AIR FORCE HEADQUARTERS UNITED STATES AIR FORCE WASHINGTON, DC



3 Dec 2004

## MEMORANDUM FOR ALMAJCOM/DPC

FROM: HQ USAF/DPPC

1040 AIR FORCE PENTAGON WASHINGTON DC 20330-1040

SUBJECT: House-hunting Trips (HHT) During Permanent Change of Station (PCS) Moves

This memorandum is to clarify house-hunting allowances in conjunction with a PCS move for civilian employees to a new Permanent Duty Station (PDS).

Title 5, United States Code (U.S.C), Section 5724a(b)(1) prescribes that "an agency <u>may pay</u> (underline added for emphasis) to or on behalf of an employee who transfers in the interest of the Government between official stations located within the United States (U.S), District of Columbia, Commonwealths of Puerto Rico & Northern Mariana Islands, and the territories and possessions of the U.S.: (A) the expenses of transportation of the employee and the employee's spouse for travel to seek permanent residence quarters at a new official station; and either—(i) a per diem allowance or the actual subsistence expenses (or a combination of both); or (ii) an amount for subsistence expenses, that may not exceed a maximum amount determined by the Administrator of General Services. (2) Expenses may be allowed under paragraph (1) only for one round trip (underline added for emphasis) in connection with each change of station of the employee."

This means that under existing law the use of the phrase "may pay" makes the HHT a discretionary allowance, not a statutory entitlement. The authorizing/order-issuing official is the official who approves a HHT, directs travel, and has responsibility for the funding. Responsibility for issuance of PCS travel authorizations belongs to commanders who have received delegated authority to fill positions. For Non-Career Program moves, the employee's servicing Civilian Personnel Flight (CPF), through the respective installation commander, has the authority to authorize HHT's. The HHT for Career Program moves is authorized in the original travel authorization approved by AFPC/DPKD.

The approving official must determine, IAW Joint Travel Regulation (JTR) Volume 2, whether a HHT is necessary to authorize the allowance prior to the employee making a PCS. The purpose of the roundtrip travel HHT is to lower the government's overall PCS costs by reducing the time an employee would otherwise occupy temporary quarters and to ease the employee's transfer. If a roundtrip HHT is authorized, the employee will be allowed the opportunity to travel, in an official duty status, to the new PDS to find permanent living quarters and return to the old PDS. The HHT may not exceed the maximum of 10 calendar days total. The JTR provides guidance on transportation and per diem allowances for the HHT. Those transportation expenses may include any or a combination of the following means: mileage for use of privately own conveyance (POC) to/from or in the local area of the new PDS, commercial common carrier, rental automobile and local transportation systems. The per diem allowance is reimbursed by either of two methods, which is elected by the employee.

- (A) the Actual Expense (lodging-plus) method (receipts required) which is based on the locality rate at the new PDS, not the standard per diem rate of \$91 per day. Number of HHT days will be deducted from the TQSE(AE) election.
- (B) the Fixed Expense method (no receipts required), if offered, is based on a percent factor of the locality rate per diem at the new PDS multiplied by the number of HHT days performed. The percent factor authorized is 6.25 where the employee and spouse travel together or 5.0 when either the employee or spouse travels separately.

### NOTES:

- (1) Once the employee elects the HHT per diem reimbursement method and has traveled on the HHT, the election is irrevocable and will not be changed.
- (2) The number of HHT per diem days may or may not be deducted from the employees Temporary Quarters Subsistence Expense (TQSE) depending on type of TQSE per diem method elected by the employee.

There will be occasions were the employee will elect to locate a residence enroute to the new PDS and not perform the roundtrip HHT. Reasons for use of this method of locating a new residence will range from a HHT not being authorized, not cost effective, or work requirements at the old PDS would not permit it. An employees is not authorized use of a rental vehicle during enroute residence location because it has been determined that they are not in an official duty status.

A recent General Services Board Contract Appeals (GSBCA) 16339-RELO (atch 1) legal decision determined that an employee cannot seek reimbursement (under the roundtrip HHT method) for house hunting after they depart the old PDS and prior to reporting to the new PDS. If the employee seeks a permanent residence enroute to the new PDS, the employee can claim the expenses under TQSE entitlements.

The days used to locate a residence at the new PDS, not to exceed 10 calendar days, will be administratively charged as "Excused Absence" IAW DoD 1400.25-M, SC630.7.4.3 and AFI 36-815, Absence and Leave. The gaining supervisor must approve the actual number of days in advance. Although the reporting date may change, the Effective On Duty (EOD) date or organization pickup/payroll date will not necessarily change.

For questions or guidance on house-hunting during a PCS move, local CPF's should contact either AFPC/DPK or their respective MAJCOM/FOA/DRU. MAJCOM's/FOA/DRU/AFPC should contact AF/DPPCE at DSN 224-9370 or 225-7186.

> WITE MCKINNEY, Colonel, USAF Chief, Compensation and Legislation Division

Directorate of Personnel Policy

Attachment: GSBCA 16339-RELO Decision

## **Board of Contract Appeals**

General Services Administration Washington, D.C. 20405

February 18, 2004

GSBCA 16339-RELO

In the Matter of PERRY F. GAYALDO

Perry F. Gayaldo, Silver Spring, MD, Claimant.

R.J. Dominic, Director, Finance Office/Comptroller, Finance and Administration, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, Germantown, Maryland, appearing for Department of Commerce.

## BORWICK, Board Judge.

Claimant, an employee of the Department of Commerce, National Oceanic and Atmospheric Administration (agency), seeks reimbursement of an additional \$879.76 for the first ten days he spent in temporary quarters at his new duty station, after a permanent change of station (PCS) transfer, as if he were on a househunting trip.

Claimant may not be reimbursed for his first ten days in temporary quarters as if he were on a househunting trip. The agency properly applied the provisions of the Federal Travel Regulation (FTR) in reimbursing claimant at the temporary quarters subsistence expenses (TQSE) rate for those days in temporary quarters.

### **Background**

On or about July 21, 2003, the agency authorized claimant a PCS transfer from Seattle, Washington, to Silver Spring, Maryland. The authorization stated that claimant's contemplated period of travel was to commence on September 2 and to end on September 12. The authorization also granted claimant a househunting trip from August 24 to September 2 and subsistence in temporary quarters not to exceed sixty days.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> The agency also authorized reimbursement of real estate transaction expenses, reimbursement of the miscellaneous expense allowance, shipment of household goods, and temporary storage of household goods not to exceed ninety days. These matters are not in dispute.

Claimant states that "my duty station was to change from Seattle, Washington to Silver Spring, Maryland on 15 September." We assume claimant means that his reporting date at his new duty station was September 15. Nevertheless, both parties agree that, for administrative reasons, claimant's duty reporting date was moved back to September 30.

According to claimant's travel voucher and documents attached to the travel voucher, claimant, accompanied by his spouse, began his PCS trip by car on August 27 and reached Niagara Falls, New York, on September 3. According to those same documents, from September 8 claimant traveled on temporary duty from Hartford, Connecticut, to Texas and returned from temporary duty on September 11, apparently to Hartford, Connecticut.

Claimant and his spouse ended their en-route PCS travel, reaching Silver Spring, Maryland, on September 14. Upon arriving in Silver Spring, claimant and his spouse checked into the Holiday Inn, Silver Spring and remained there through September 23. Claimant says that during this period, he and his spouse looked for and found a house. They closed on its purchase on October 31. The agency deemed claimant to be in temporary quarters and granted claimant reimbursement of TQSE for the period September 14 through September 23.

Claimant maintains that he performed househunting from September 14 through September 23 and should have been reimbursed at the Washington, D.C., locality rate as if he were on a househunting trip, even though he and his spouse had completed en-route travel to his permanent duty station. Claimant seeks additional reimbursement of \$879.76, which is the difference between ten days' reimbursement at the locality rate and ten days' reimbursement at the standard continental Unites States (CONUS) rate, which the agency paid him for TQSE.

Claimant states that he and his spouse could not take a separate househunting trip before commencing his PCS travel because a separate trip would have meant flying between Seattle, Washington, and Washington, D.C. His spouse's medical condition at the time made flying risky for her. Claimant argues he is entitled to be reimbursed as if he were on a househunting trip starting on September 14 because "I was told that as long as the househunting effort was conducted prior to my new duty station date, it would be allowed." The agency maintains that under the FTR, to be entitled to househunting trip expenses claimant must take the househunting trip in advance of en-route PCS travel and that claimant did not do so. The agency maintains that claimant and his spouse entered into temporary quarters on September 14 when they completed their en-route PCS travel and that the agency has properly reimbursed claimant for TQSE for the period September 14 through September 23.

### **Discussion**

The FTR defines a househunting trip as "a trip made by the employee and/or spouse to your new official station locality to find permanent living quarters to rent or purchase." 41 CFR 302-5.1 (2003). The allowance for the househunting trip is intended to "facilitate and expedite the employee's move from your old official station to your new official station and to lower the Government's overall cost for the employee's relocation by reducing the amount of time an employee must occupy temporary quarters." 41 CFR 302-5.2. The agency determines when it is in the Government's interest to authorize an employee to take a househunting trip and the procedures the employee must follow if it is authorized. 41 CFR

- 302-5.5. The agency may authorize one round trip for the employee and the spouse, or either, in connection with a particular transfer. 41 CFR 302-5.7, -5.8. In its question-and-answer format, the FTR provides that an employee will receive a househunting trip allowance if:
  - (a) Your agency authorized you to perform a househunting trip in advance of the travel (the agency must specify the mode of transportation and the period of time allowed for the trip);
  - (b) You have signed a service agreement;
  - (c) Your agency has established a date, and informed you of, the date you are to report to your new official station; and
  - (d) You meet any additional conditions the agency has established.

41 CFR 302-5.6. The FTR also provides that the employee must complete the househunting trip no later than the day before he reports to his official station. 41 CFR 302-5.12.

This portion of the FTR entitles a transferred employee to be reimbursed for a househunting round trip separate from the PCS travel in order both to ease the employee's transfer and to reduce the Government's temporary quarters reimbursement expense. However, the agency must authorize the employee to perform a househunting trip in advance of the travel, in accordance with 41 CFR 302-5.6(a). Because the FTR contemplates a separate househunting trip, the phrase "in advance of travel" refers to a househunting trip performed in advance of the PCS en-route travel. The employee must also meet any conditions the agency has established for taking the househunting trip in accordance with 41 CFR 302-5.6(d). It is true that the FTR establishes one day before the duty reporting date as the latest date when any househunting trip must be completed. But that provision does not negate the other requirements of the FTR to qualify for reimbursement of a househunting trip.

Here, the agency authorized claimant to take a separate househunting trip to the Washington, D.C., area between August 24 and September 2. Understandably, claimant at that time chose not to take a joint househunting trip with his spouse, since flying would have posed a medical risk to her. Claimant, however, could have taken an early househunting trip alone and shared the knowledge gleaned from that trip with his spouse.

Claimant, however, did not take an advance househunting trip; instead, he completed his en-route travel with his spouse and arrived at his new duty station. The fact that claimant spent a period of time in temporary quarters engaged in househunting activities does not make his stay in temporary quarters a househunting trip reimbursable under the FTR.

The General Accounting Office (GAO), our predecessor in deciding these claims, held many years ago that when an employee reported for duty at his new duty station earlier than scheduled for the purpose of performing a househunting trip, the employee was entitled to reimbursement at the rate applicable for a househunting trip, not to exceed the number of

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days authorized for the househunting trip. <u>Huai Su</u>, B-215701 (Dec. 3, 1984); <u>Gary E. Pike</u>, B-209727 (July 12, 1983). Those cases construed versions of the FTR no longer in effect and the GAO did not consider or construe any provision of the FTR similar in substance to 41 CFR 302-5.6(a). Additionally, unlike <u>Su</u> and <u>Pike</u>, here claimant did not report for duty earlier than scheduled for the express purpose of taking a househunting trip.

Claimant says he was given erroneous advice that househunting trip reimbursement would be allowed if the househunting effort would be completed before his new duty station reporting date. The person who gave that advice did not fully explain the requirements of the FTR regarding reimbursement for househunting trips. Regardless, claimant's reimbursement entitlement is not enlarged by the erroneous or misleading advice of Government agents. William D. Dooley, GSBCA 16107-RELO (Sept. 26, 2003). The Board denies the claim.

ANTHONY S. BORWICK Board Judge